

# News from Ed Markey

## United States Congress Massachusetts Seventh District

**FOR IMMEDIATE RELEASE**

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### **MASSACHUSETTS CONGRESSMEN URGE GOVERNOR CELLUCCI TO PROVIDE RELIEF TO HOSPITALS**

**WASHINGTON, D.C. --** Congressmen Ed Markey, Mike Capuano and Barney Frank today joined the entire Massachusetts Congressional Delegation in sending a letter to Governor Paul Cellucci to urge that he take immediate steps to alleviate the harm being done to Massachusetts' community hospitals by raising significantly and sufficiently the level of Medicaid reimbursements it provides these facilities.

Massachusetts has the lowest non-Medicare payments (Medicaid and private insurance) in the United States according to an analysis of the state's community hospitals released early last year. Those low payments are putting an enormous strain on hospitals in every corner of the state. Hospitals in immediate duress include Athol Memorial Hospital, Carney Hospital in Dorchester, Good Samaritan in Brockton. In addition, Southcoast Hospital Group suffered an operating loss of just under \$6 million in the last fiscal year, the Malden Medical Center which announced Wednesday that it would be closing its doors in 90 days, and the Whidden Memorial Hospital in Everett which lost over \$10 million last fiscal year.

Rep. Markey said, "I am troubled by the dramatic changes that we are witnessing in the economics of health care and patient access. The financial strain is producing dramatic human costs as well. Our hospitals are hemorrhaging. The state has an obligation to confront this crisis as we have been doing at the federal level - state Medicaid payments are woefully inadequate right now, and I believe that Governor Cellucci and his Health Care Task Force must act immediately to address these pressing financial issues."

Rep. Capuano remarked, "Community hospitals throughout Massachusetts are facing a health care crisis. We must continue to find ways to support these struggling institutions. Enhancements to the current Medicaid policy combined with a comprehensive reexamination of the state's health care system will go a long way toward providing that support. Such actions must be taken and must be taken immediately."

Rep. Frank commented, "There is no excuse in a society as wealthy as our own for us to deny adequate reimbursements to medical providers. The current policy toward community hospitals is unfair both to the people who depend on these facilities for care and to the hardworking individuals who provide it."

The Massachusetts delegation has been leading the fight in Congress to restore cuts to Medicare and Medicaid that resulted from passage of the Balanced Budget Act (BBA) of 1997. The BBA was intended to cut Medicare and Medicaid by \$115 billion, but that number has doubled. Over the past two years, the delegation has secured \$443 million for cash-strapped hospitals in Massachusetts.

A copy of the Massachusetts Congressional Delegation letter to Governor Cellucci, which was drafted by Reps. Markey, Capuano, and Frank is attached. # # #

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